

**567—92.6(455B) Intended use plan management.****92.6(1) Intended use plan preparation.**

*a. Development.* The department shall prepare an intended use plan (IUP) at least annually and on a quarterly basis as needed. The IUP will be subject to a public hearing and approved by the commission.

*b. Notification.* A public hearing process is part of the IUP adoption process to provide opportunity for public participation. Notice is published in a newspaper of general circulation prior to the public hearing, and an announcement is released to television and radio stations. A general notice is also made to all applicants and interested agencies and organizations. The notice explains the purpose of the IUP and how additional information may be obtained.

*c. Comments.* Comments regarding the proposed IUP will be accepted during the notice period, at the public hearing and in writing for five days following the public hearing. After evaluation of all pertinent comments, the IUP will be revised, if necessary, and recommended for approval by the environmental protection commission. Subsequent approval by the EPC will establish the IUP to be used for loan assistance.

**92.6(2) Contents.** The IUP will identify the anticipated uses of loan funds available for that fiscal year and will include the following:

*a. State project priority list.* The state project priority list contains the projects and set-asides eligible for CWSRF loans. The state project priority list will include, for point source projects, the name of the eligible applicant, any applicable NPDES permit number and the projected amount of loan assistance. For nonpoint source set-asides, the IUP will include the name of the program and amount set aside.

*b. Fundable list.* The fundable list includes projects scheduled for loans from funds available during the fiscal year. Projects will be considered in priority order for placement on the fundable list. Subsequent segments of a project which has been awarded financial assistance for Category I and Category II needs will be placed on the fundable list ahead of other new projects whose schedules also would allow funding during the fiscal year. The fundable lists of point source projects and nonpoint source set-asides shall be listed in priority order and shall include a schedule of estimated disbursement of funds, preliminary identification of point source projects that may undergo an environmental impact statement, and the need category(ies) of the projects. The department will consider the following in developing the list of fundable projects for the intended use plan:

- (1) How the project conforms to the short- and long-term goals of the CWSRF;
  - (2) The priority rating of the point source project;
  - (3) Whether a point source project will be ready to proceed on a schedule consistent with time requirements for outlay of funds;
  - (4) Whether the proposed project addresses the need upon which the eligible entity's priority is based;
  - (5) The eligible entity's financial capability to service the loan, to provide operation and maintenance, to provide replacement reserves, and, if required, to provide debt service reserves;
  - (6) The eligible entity's statement of willingness to accept all loan terms and conditions;
  - (7) The funds available, department priorities and the administrative capacity of the department;
- and
- (8) The applicant's conformance to process guidelines provided by the department.

*c. Contingency list.* A contingency list will be included so that point source projects on the contingency list could become fundable should a fundable project not proceed in a timely manner.

*d. Goals.* The IUP will include the long- and short-term goals of the CWSRF.

*e. Supported activities.* The IUP will include information on the types of activities to be supported by the CWSRF. The IUP will identify requests for planning and design loans and funds to be directed to the nonpoint source set-asides to implement Iowa's nonpoint source management program.

*f. Assurances.* The IUP will include assurances and specific proposals on how the state intends to meet requirements of the following sections of the Clean Water Act:

- (1) 602(a) Environmental reviews;

(2) 602(b)(3) The state will agree to enter binding commitments equal to at least 120 percent of each quarterly federal capitalization grant payment within one year after receipt; and

(3) 602(b)(4) Certify that all funds in the CWSRF will be expended in an expeditious and timely manner.

*g. Rates, terms and fees.* Loan interest rates and terms, interest rates and terms for linked deposit programs, and loan origination fees and servicing fees will be established in the IUP.

*h. Amendments.* The IUP will include the method to be used by the department if the IUP is amended.

*i. Consistency with water quality management plans.* Projects must be consistent with any Iowa water quality management plans in order to be considered for inclusion on the state project priority list.

**92.6(3) Priority for loan assistance.** A fundable project must be technically and administratively complete. A community is responsible for complying with the technical procedures for facility planning and preparation of plans and specifications, including department approval of those documents.

**92.6(4) Annual update.** The state project priority list will be reviewed at least annually or quarterly as needed to update schedules and project cost estimates.

**92.6(5) Notification of revisions.** The department will notify, in writing, all communities that are removed from or placed on an approved fundable list based on revisions.

**92.6(6) Special considerations.** Exemptions to the point source rating criteria may be considered by the department, and funding variances may be granted by the commission for projects that have unique or unusual circumstances but that do not logically fit into the criteria. The commission may grant interest rate reductions or other favorable loan incentives to applicants that sponsor a project that improves impaired waters or restores the physical, chemical or biological integrity of receiving waters impacted by the wastewater treatment facility. Exemptions to the nonpoint source rating criteria may be considered by the department, and funding variances may be granted by the commission for projects that have unique or unusual circumstances which may not logically fit the criteria and are consistent with the short- or long-term goals of the IUP. Examples of projects that may qualify for exemptions and variances are projects targeted to improve impaired waters or projects where the purchase of land or conservation easements by conservation agencies is targeted to improve impaired waters.